

## **Information Released under Freedom of Information Act**

**Subject:** Request for information relating to Late Filing Penalties

**Date Released:** 23 May 2016

**Summary of request:** The enquirer requested information relating to Late Filing Penalties

### **Information Released**

You requested information to the following questions:

#### **How many companies you have fined this year so far and how many appeals are pending?**

You can find figures on how many penalties received, imposed and cancelled via the latest statistical report on late filing penalties on the gov.uk website. Our internal statistics for the amount of appeals outstanding as of the start of the day was 561 cases.

<https://www.gov.uk/government/statistics/late-filing-penalty-statistics-2015-2016>

#### **Can you tell me whether a large number of appeals are based on the fact that your electronic filing system does not work as advertised?**

Appeals are based on a wide variety of factors. We do receive appeals based around our electronic filing systems. When such an appeal is received, we will check to ensure that the systems were working as they should at the time that the appellant states they were experiencing problems.

#### **Since there was/is no warning of this unless you contact the helpline there are considerable inbuilt delays in company directors fulfilling their obligations.**

Our electronic services are available 24 hours a day. In the rare occurrence they are not available for any reason a message is placed on our website advising users of this fact and the options available.

#### **Do you accept that as a consequence many companies have been forced to send in accounts by post and some will miss deadlines and be fined?**

It is the responsibility of a company's directors to ensure that accounts are filed by the statutory deadline. If a company is having trouble filing electronically close to the deadline, the option exists for it to apply for an extension to the filing deadline providing such a request is received prior to the deadline. If companies are sending accounts by post close to the deadline, for whatever reason, it is recommended that they use a guaranteed next delivery service to avoid the risk of the deadline being missed.

#### **Can you give any explanation as to why warning letters to company directors arrive up to four weeks later than dated?**

Companies House are aware there was an issue several months ago that was resulting in warning letters arriving several weeks after the date on the letter. This was due to a technical issue regarding the

formatting of addresses on our automatically generated letters. We have since been advised that this technical error has now been rectified.

**Can you give an outline of how Companies House is financed?**

Companies House income primarily consists of fees for registration, data and search activities. We also receive income from the rental of surplus office space. More details can be found in our annual report on the gov.uk website.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/446159/Annual\\_Report\\_201415.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446159/Annual_Report_201415.pdf)

**Does Companies House have any targets set to raise money by fining as many people as possible?**

No, the purpose of the late filing penalty scheme is to promote the timely delivery of accounts to Companies House. Penalties were first introduced in 1992 in response to increasing public concern about the number of companies that failed to file their accounts on time or at all. It was thought that the prospect of incurring a penalty would be an incentive for companies to file on time.

**How much is the total raised in fines each year?**

The revenue raised by late filing penalties is published in our annual report, please see the Trust Statement on page 72.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/446159/Annual\\_Report\\_201415.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446159/Annual_Report_201415.pdf)

Our late filing penalties statistical release also contains the value of penalties collected and cancelled.

<https://www.gov.uk/government/statistics/late-filing-penalty-statistics-2015-2016>

**Where does the money raised from fines go?**

The penalties collected are paid into HM Treasury's Consolidated Fund. More information can be found in the Trust Statement of our annual report (page 63).

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/446159/Annual\\_Report\\_201415.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446159/Annual_Report_201415.pdf)

**What percentage of appeals are successful and how much does the appeal process cost?**

The figures on penalties imposed and discretion used not to collect penalties can be found in our publication Late Filing Statistics.

<https://www.gov.uk/government/statistics/late-filing-penalty-statistics-2015-2016>

The expenditure is set out in our annual report (page 70 of the Trust Statement).

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/446159/Annual\\_Report\\_201415.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/446159/Annual_Report_201415.pdf)

The statistical / financial information is already in the public domain therefore I must refuse to disclose it to you and instead I have provided exact links to the information on our website. Under section 21 of the Freedom of Information Act 2000 any information that is reasonably accessible to the applicant, albeit on payment of a fee, is exempt information under the Act.